

## Message Text

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73

ORIGIN EB-07

INFO OCT-01 ISO-00 AF-06 ARA-10 EA-10 EUR-12 NEA-09 RSC-01

AGR-10 CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-02

INR-07 INT-05 L-02 LAB-04 NSAE-00 NSC-05 PA-02 AID-05

CIEP-02 SS-15 STR-04 TAR-01 TRSE-00 PRS-01 SP-02

OMB-01 FEA-01 NSCE-00 SSO-00 USIE-00 INRE-00 /127 R

DRAFTED BY EB/OT/GCP:MGOLDMAN

APPROVED BY EB/OT/GCP - DDUNFORD

AF - GMITCHELL

EA:AGEBER

ARA - MDAVILA

EB -CHAND

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FM SECSTATE WASHDC

TO ALL DIPLOMATIC AND CONSULAR POSTS IMMEDIATE

UNCLAS STATE 020095

INFORM CONSULS ;;

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: TRADE ACT OF 1974 - GSP

REF: 11522

1. SENATOR BENTSEN INTRODUCED A BILL (S. 394) ON JANUARY 27 TO AMEND SECTION 502 (B)(2) OF THE TRADE ACT OF 1974 (SEE REFTEL). ACCORDING TO SENATOR BENTSEN, THIS NEW LEGISLATION WOULD EXEMPT FROM THE PROHIBITION ON PREFERENCES THOSE MEMBERS OF THE OPEC WHICH DID NOT PARTICIPATE IN LAST WINTER'S OIL EMBARGO.

2. TEXT OF S. 394 IS AS FOLLOWS:

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BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES

OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED,  
THAT SECTION 502(B)(2) OF THE TRADE ACT OF 1974 (RELATING  
TO BENEFICIARY DEVELOPING COUNTRIES) IS AMENDED TO READ  
AS FOLLOWS:

"(2) IF SUCH COUNTRY

'(A) IS A MEMBER THE SUGAN COUNTRY PARPETROLEUM  
EXPORTING COUNTRIES AND SUCH COUNTRY PARTICIPATES IN  
ANY ACTION PURSUANT TO SUCH ORGANIZATION THE EFFECT OF  
WHICH IS TO WITHHOLD SUPPLIES OF VITAL COMMODITY RE-  
SOURCES FROM INTERNATIONAL TRADE AND TO RAISE THE PRICE  
OF SUCH COMMODITIES TO AN UNREASONABLE LEVEL CAUSING  
SERIOUS DISRUPTION OF THE WORLD ECONOMY, OR  
"(B) IS A MEMBER OF ANY OTHER ARRANGEMENT OF FOREIGN

COUNTRIES AND SUCH COUNTRY PARTICIPATES IN ANY ACTION  
PURSUANT TO SUCH ARRANGEMENT THE EFFECT OF WHICH IS TO  
WITHHOLD SUPPLIES OF VITAL COMMODITY RESOURCES FROM  
INTERNATIONAL TRADE OR TO RAISE THE PRICE OF SUCH  
COMMODITIES TO AN UNREASONABLE LEVEL AND TO CAUSE  
SERIOUS DISRUPTION OF THE WORLD ECONOMY."

3. FOLLOWING IS TEXT OF PRESS GUIDANCE, PREPARED  
BUT NOT USED, RE BENTSEN BILL: "I THINK IT IS  
PREMATURE TO COMMENT ON SENATOR BENTSEN'S PROPOSAL  
UNTIL WE HAVE HAD A CHANCE TO EXAMINE CAREFULLY  
ITS IMPLICATIONS. OUR PROBLEMS WITH THE EXISTING  
PROVISIONS OF THE TRADE ACT RELATING TO CERTAIN OIL  
PRODUCING COUNTRIES HAVE BEEN FRANKLY EXPRESSED BY  
BOTH THE PRESIDENT AND THE SECRETARY AND ARE WELL  
KNOWN. WE HAVE BEEN STUDYING THESE PROVISIONS OF  
THE TRADE ACT THOROUGHLY AND WE EXPECT TO BE IN  
TOUCH WITH CONGRESS SHORTLY. WE WILL SEEK THE  
ADVICE AND COOPERATION OF CONGRESS IN WORKING  
OUT SPECIFIC PROBLEMS WHICH ARISE FROM THIS  
GENERALLY CONSTRUCTIVE PIECE OF LEGISLATION (I.E.,  
TRADE ACT OF 1974). WHETHER WE WILL TRY TO WORK  
WITH EXISTING LEGISLATION, SUPPORT LEGISLATION  
PROPOSED BY CONGRESS OR PROPOSE OUR OWN, I  
SIMPLY CANNOT SAY." KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE LAW, AMENDMENTS, GENERALIZED PREFERENCES (TARIFFS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE020095  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** MGOLDMAN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750031-0851  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750113/aaaaalen.tel  
**Line Count:** 99  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 11522  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TRADE ACT OF 1974 - GSP  
**TAGS:** ETRD, US, XX  
**To:** ALL POSTS  
**Type:** TE  
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